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Memo: PIFA-669

13 May 1947

TO : Washington  
FROM : Rome, Italy  
SUBJECT : Interrogation of Ferenc VAJTA  
SOURCE : JK23/5  
EVALUATION : B-4  
DATE OF INFO: April 1947  
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CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2008

I. Background of Case:

1. Ferenc VAJTA, the author of the publication, "Save Hungary", was born in 1914 in Leva. He is a Hungarian citizen, former journalist and ex-Hungarian Consul General in Vienna, prior to the Russian occupation.
2. VAJTA escaped to the French Zone of occupation in Austria, where his work was utilized mainly by the B.Doc, Central European section, in Innsbruck, under General BETHOUARD and a Captain MULLER.
3. VAJTA is described by Source as one of the most important exponents of Hungarian anti-Communist emigration. He is in contact with former Hungarian Premier KALLAY, now residing in Capri, and he has been violently attacked by Hungarian Communist newspapers as a war criminal. However, the French refused to extradite him, since he was not on the official war criminal list. VAJTA is Hungarian representative in the Intermarium movement.
4. In January 1947, he left the FIS, for political and family reasons. Later, he came to Italy to form the Hungarian National Council, in which numerous prominent Hungarian personalities participated, including Miklos KALLAY, ex-Premier. One of the first acts of the Council was to publish the pamphlet, "Save Hungary". The publication angered the Hungarian Communists, who appealed to the Italian Deputy Foreign Secretary, REALE, through the Polish Ambassador in Rome, KOT. On REALE's telephone request, VAJTA was arrested by the Rome Questura on 11 April, incarcerated; he was released on 26 April, through the political intervention of the Chief of Police. (On a trip to Rome in June 1946, VAJTA contacted Premier DE GASPERI and Italian Police Chief FERRARI, and many deputies of the Right and center parties.) VAJTA was advised by the Chief of Police to get out of the country to avoid re-arrest.
5. On 27 April 1947, Source contacted VAJTA through INSABATO, just prior to VAJTA's departure from Rome, to take refuge in a Florence monastery, where he is staying at the present time. As will be seen, VAJTA is cognizant of many important phases of the French intelligence service activities in Austria. VAJTA appeared to be angry with the FIS, because they did not keep the promises made to him. Also, he was irritated because the British were not able to defend him, although he worked in the same sphere of operations with them. VAJTA offered to put himself at the disposition of the Italians, if they would guarantee his personal safety. Such assurances, however, could not be given by Source. The following items of information were obtained by Source from VAJTA. It should be kept in mind that the details given below were secured by Source during the automobile ride transferring VAJTA from prison to another car waiting at another point to take him out of Rome.

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II. Financial Means of the Hungarian National Council:

6. The Hungarian Government, during the HORTHY Regime, deposited various funds in Switzerland for various unforeseen needs. The Hungarian National Council succeeded in obtaining the funds remaining, which had been put at its disposal. Originally, the funds amounted to 5,800,000 Swiss francs. The organization of Hungarians abroad, draws on this fund for the means of carrying out anti-Bolshevik propaganda.

III. Activity on Behalf of the French:

7. The collapse of Germany found VAJTA in Vienna as Hungarian Consul General. Before the arrival of the Russian troops, he fled from the capital to the French Zone of occupation.
8. The B.Doc - Central European Section - approached him, and utilized his vast knowledge for a project involving information concerning the Hungarian-Balkan sector. On this project, he worked in close cooperation with Captain MULLER and General BETHOUARD, and he had particularly cordial relations with MULLER.
9. Early in 1946, at about the time DE GAULLE left the government, VAJTA received an offer from the French, through a certain DEFIGNIER. The offer constituted a position in the event an anti-Communist government could be established in Hungary, to facilitate industrial exploitation of the Hungarian bauxite deposits, which are the most important in Europe. During the course of these negotiations, VAJTA, accompanied by DEFIGNIER, left for Paris and was received by BIDAULT refused VAJTA any written contract, even in the form of a personal letter.
10. According to VAJTA, he was unable to work with his co-nationals in the Hungarian cause abroad, because he had no official foreign backing which would aid him in his activities. Thus, he was forced to curtail to some extent his activities on behalf of his country, except for those aims in common with the program of the Internarium movement.
11. For reasons not entirely clear at this point, VAJTA's relationship with the French waned (perhaps due to the change in the Paris government), and eventually reached a point where he became "persona non grata" with the French Intelligence Service. MULLER went so far as to attempt to create trouble between VAJTA and his wife. (She is VAJTA's second wife, and her family interest and investments are with important Hungarian trust companies.) MULLER told her that VAJTA had shown him, on several occasions, photographs where he was in the company of other women; which naturally made her jealous. In fact, VAJTA's wife was not permitted to leave Innsbruck and join her husband. For these reasons (which Source will clarify at the opportune time), VAJTA is hostile to the FIS.

IV. The CALLE Case:

12. From VAJTA, Source requested information on the CALLE affair, and he was assured the following episode is authentic: The Soviets utilized agents generally recruited from among former Communist partisans and ex-PW's. CALLE definitely was a Russian agent working in the French intelligence service. This was realized by the French in June 1946, and CALLE was incarcerated. The French tortured him to determine to what extent he had penetrated their service and to learn about the Russian organizations. In this manner a great deal of information was obtained from him. Later, CALLE was assigned to a labor battalion, which was guarded by soldiers, who were ordered to shoot him if he attempted to escape. On 30 August 1946, while CALLE was returning with his fellow convicts from his place of work, an automobile passed and slowed

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... CAVILL attempted to reach the car, the door of which was already open to receive him, but he was shot down by the guards before he reached the car.

V. Contacts with Italian Personalities:

13. VAJTA has close contact with Fausto PECORARI, Demo-Christian deputy, who paved the way for him to meet Premier DE GASPERI. VAJTA, as well as his wife, comes from an industrialist family. DE GASPERI gave him certain encouragement in his attempts to transfer to Italy, Hungarian industrial assets, which had been transported to the French Zone, Austria. However, VAJTA was unable to accomplish this transfer, because of the indecision of the Italian government and the antagonism of the French, who opposed the deal.

VI. Contact with the British Intelligence Service:

14. The British Intelligence Service approached VAJTA, through a British colonel, NU, who suggested VAJTA settle in Cairo, where he could work to advantage for the benefit of his country.  
Source notes: It is to be noted that King ZOG of Albania lives in Cairo, and also established in that city is an important representation of King PETER of Yugoslavia. It can be assumed that the British intended to utilize the services of VAJTA in their own Balkan program. VAJTA stated he does not intend to live in Cairo, because he has no confidence in the British.

VII. Comment:

15. VAJTA asserts that he left the FIS in January 1947, and that he has been working independently ever since. However, from other sources - KILKENNY, JK29, AE754, our station Portugal - it is known that VAJTA was in Paris and Madrid in February and March 1947; and that shortly before his arrest (Italian) he had shown Monsignor Ferenc NYISZTOR a cable he had received from the B.Doc informing him of the arrival in Rome of Soviet agent, SZARVAS. In view of these facts, it is safe to assume that VAJTA is still in the French service. (This would suggest that the CALLE-TROIKA affair, which up-to-date all information has been of French origin, must continue to be taken with a grain of salt.)
16. VAJTA admitted to AE754 that the Hungarian National Council consists of only one man - Ferenc VAJTA, himself.
17. AE754, though he realizes that VAJTA is an unscrupulous character, sympathizes with his political aims. He stated that Kristof KALLAY informed him that his father, the ex-Premier, had shunned meeting VAJTA. VAJTA has previously informed the ex-Premier of his intention to visit him at Capri; but when VAJTA arrived at the Island he found the KALLAY house closed.
18. The fact that VAJTA was released on DE GASPERI's personal intervention is an indication that he might already be working for the Italians; and judging from his own statements, also for the British.
19. VAJTA carefully avoids mentioning the fact that he is a fugitive from an American internment camp for war criminals.
20. In Part B of this report, reference is made to the "KALLAY Fund", the existence of which has been reported by this station on a number of occasions. This fund is handled collectively by Baron Laszlo BAKACH-BESSENTEY, former Minister to Bern, now in the U.S.A.; Baron Antal RADVANSKY, former secretary of the Hungarian National Bank, presently in Switzerland; and Baron Gabor APOR, former

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Hungarian Minister to the Vatican, ex-Premier Miklos KALLAY, both in Italy. None of these men have been in contact with VAJTA. In fact, APOR is bitterly opposed to VAJTA's re-appearance on the Hungarian political scene. From this, it could be assumed that the National Hungarian Council exists only on paper as a "cover" for VAJTA's activities subsidized by, and on behalf, of the French Intelligence Service.

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